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DE RUEHCL #0117/01 1731638 ZNY CCCCC ZZH P 221638Z JUN 07 FM AMCONSUL CASABLANCA TO RUEHC/SECSTATE WASHDC PRIORITY 7752 RUEHAS/AMEMBASSY ALGIERS 2901 RUEHBP/AMEMBASSY BAMAKO 0238 RUEHEG/AMEMBASSY CAIRO 0792 RUEHRY/AMEMBASSY CONAKRY 0015 RUEHDK/AMEMBASSY DAKAR 0255 RUEHLC/AMEMBASSY LIBREVILLE 0033 RUEHLO/AMEMBASSY LONDON 0282 RUEHMD/AMEMBASSY MADRID 3735 RUEHNK/AMEMBASSY NOUAKCHOTT 2263 RUEHRB/AMEMBASSY RABAT 8017 RUEHTU/AMEMBASSY TUNIS 2028 RUEHFR/AMEMBASSY PARIS 0562 RUEHYD/AMEMBASSY YAOUNDE 0073

C O N F I D E N T I A L CASABLANCA 000117

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STATE FOR NEA/MAG AND NEA/PI

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TAGS: ECON EFIN KDEM MO

SUBJECT: ELECTIONS WILL NOT AFFECT MOROCCAN ECONOMY

Classified By: Principal Officer Doug Greene for reasons 1.4 (B) AND (D)

REF: RABAT 00852

11. (SBU) SUMMARY: In general, Casablancans feel that Morocco's political parties lack well-defined economic platforms as they go into the final three months before the September parliamentary election. This is due in part to the fact that many parties are old and have no tradition of presenting economic programs. In addition, only the educated elite, not average citizens, expect parties to detail economic plans. A few parties, however, are seeking information on the economy and have begun to outline economic programs. Nevertheless, our interlocutors stress, it is the King and his ministers, not parliament, who determine economic policy, and Moroccans do not believe elections will impact the economy. Those with a role in creating economic platforms seem to believe that the value is as much in going through the motions as providing a coherent economic plan. END SUMMARY.

PARTIES LACK ECONOMIC PLATFORMS

- 12. (SBU) Many Casablancans feel that political parties preparing for parliamentary elections in early September do not have well-defined economic platforms. Some attribute this to the fact that many of Morocco's more prominent parties are nearly fifty years old, and have not had economic platforms in the past. As one Moroccan put it, "Why start now?"
- 13. (SBU) Not only are the parties old, but so are their leaders. According to one young attorney, parties are often controlled by elderly figures who 'still live in the Stone Age.' While candidates may talk broadly about issues such as unemployment and inflation, they generally do not have well-articulated, concrete programs.
- 14. (C) The lack of economic platforms may also reflect the feeling that only the educated and elite are interested in such things. The average Moroccan cares more about purchasing power and the cost of living than encouraging investment and increasing GDP. The attorney mentioned above anticipates that some candidates will buy votes from people in poor areas, as they have done in the past. Such people will care little about electoral processes and economic programs, but

will appreciate the twenty dollars they might get for their vote.

SOME PARTIES OUTLINE ECONOMIC AGENDAS

15. (SBU) Though Moroccans are generally skeptical that parties have economic platforms, certain parties do seem to be creating programs. The President of the Center for Young Business Leaders (CJD) says that many party officials have come to his organization to learn about projects and talk to entrepreneurs. In addition, several parties, including the center-left Socialist Union of Popular Forces (USFP), have invited the CJD to share their economic insight. Similarly, an individual who works in financial services has been asked by a friend to participate in an economic brainstorming session with the nationalist Istiqlal party. Even if most parties are not expected to present detailed economic plans, some are certainly making an effort to learn about Morocco's economic outlook.

16. (SBU) A few parties have publicly presented their economic platforms. On June 15, the journal L'Economiste published a four-page article entitled, "Istiqlal: Details of the Economic Program." In the article, Nazar Baraka of the party's executive committee explains the program and answers questions. On June 18, L'Economiste outlined the economic plan of the center-left labor party, Le Parti Travailliste (PT). The plan's creator, Hammad Kassal, is not only President of the PT's economic and financial commission, but also an experienced entrepreneur and Vice President of the Confederation of Moroccan Enterprises (CGEM), a powerful business-interest group.

ELECTIONS NOT EXPECTED TO IMPACT ECONOMY

17. (SBU) Whether or not parties present economic platforms, there is widespread belief among Casablancans that this year's parliamentary elections will not affect the economy, regardless of outcome. To begin with, Moroccans expect little from elections since the King appoints all ministers and has the final word in matters such as setting economic policy. In essence, his choices and views are more significant than party platforms.

- ¶8. (SBU) Because of the palace's power, many find no correlation between politics and economics in Morocco. A young Moroccan who works in the banking sector noted that in India, for example, a change in parliament would cause the stock market to rise. No such phenomenon exists in Morocco, where people do not believe that parliament could make a difference. Furthermore, parliamentarians are not in the habit of debating complex economic issues, or creating and lobbying for elaborate plans, as this process happens elsewhere in the government.
- 19. (C) COMMENT: On the whole, political parties in Morocco do not offer well-defined economic programs and voters do not expect them to. The only individuals who seem to put stock in economic platforms are those with a role in crafting them. Hammad Kassal, for example, says he hopes political parties will make a difference, though he acknowledges that many are old and lack content. Similarly, Baraka says that even though voters tend to ignore platforms, his party will present them nonetheless. While the Casablancans we spoke with believe that economic platforms and elections will change nothing, there are a few among them who hold out hope that, by going through the motions of creating genuine programs, change might eventually come. END COMMENT.

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